

# HARRIS HEALTH SYSTEM

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## HARRIS HEALTH SYSTEM

### MINUTES OF THE BOARD OF MANAGERS MEETING

Thursday, October 27, 2016

Board Room – Administration Building

#### Members Present:

Mr. Elvin Franklin, Jr., Chair  
Ms. Daisy Stiner, Vice-Chair  
Mr. Lawrence Finder  
Ms. Carol Graebner  
Dr. Kimberly Monday  
Ms. Carolyn Truesdell

#### Members Absent:

Ms. Anne Clutterbuck, Secretary  
Dr. Donald Butts  
Mr. Brandon Capetillo

#### Others Present:

Mr. George Masi, President & Chief Executive Officer  
Mr. Michael Norby, Executive Vice President & Chief Financial Officer  
Mr. Tim Tindle, Executive Vice President & Chief Information Officer  
Dr. Ericka Brown, Executive Vice President & Administrator, Ben Taub Hospital  
Dr. Michael Gardner, Executive Vice President & Administrator, Ambulatory Care Services  
Mr. Alan Vierling, Executive Vice President & Administrator, Lyndon B. Johnson Hospital  
Dr. Jose Garcia, General Director, Affiliated Medical Services  
Dr. Maya Suresh, Chair, Medical Executive Board  
Dr. Carmel Dyer, Chief of Staff, Lyndon B. Johnson Hospital  
Dr. Kenneth Mattox, Chief of Staff, Ben Taub Hospital  
Dr. Mohammad Zare, Chief of Staff, Ambulatory Care Services  
Ms. Mercedes Leal, Attorney, Harris County Attorney's Office  
Ms. Claire Lauzon-Vallone, Associate Administrator for Quality Programs and Accreditation  
Ms. Vivian Groce, Contract Administrator, Harris County Purchasing  
Ms. Amanda Jones, Director of Legislative Services, Harris County (9:52 a.m. arrival)  
Ms. Peggy Boice, Harris County Judge Ed Emmett's Office (11:37 a.m. departure)  
Ms. Carole Lamont, Commissioner Steve Radack's Office (9:06 a.m. arrival)  
Mr. Paul Shanklin, Commissioner Jack Cagle's Office  
Administrative Staff  
Guests  
(Sign-in Sheets attached to permanent record)

#### I. Call to Order and Record of Attendance

Mr. Elvin Franklin, Jr., Chair, called the meeting to order at 9:04 a.m., and noted that a quorum was present. The attendance was recorded.

## II. Approval of the Minutes of Previous Meetings

### Motion 16.10-84

Moved by Mr. Lawrence Finder, seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve the minutes of the July 27, 2016 and August 11, 2016 Board of Managers meetings.

## III. Announcements / Special Presentations

- A. **Special Recognition** – Mr. George Masi, President and Chief Executive Officer, announced Harris Health System’s receipt of the “Most Wired” recognition from the American Hospital Association’s Health Forum and the College of Healthcare Information Management Executives. He stated that the information technology (IT) department has been instrumental in transforming Harris Health’s manual processes to automated processes. Ms. Carolyn Truesdell thanked Mr. Tim Tindle, Executive Vice President and Chief Information Officer, for the work that the IT department does and commended the department for receiving the “Most Wired” award six (6) years in a row. Mr. Tindle explained that the “Most Wired” survey is a benchmarking survey to measure the infrastructure of business and administrative management systems, clinical quality and safety systems, and clinical integration. He stated that the “Most Wired” award takes into account the challenges faced by the healthcare industry, which include population health, business continuity, and cyber security. He introduced several members of the IT staff and recognized them for their hard work.
- B. **Special Report** from Dr. Paul E. Klotman, President and CEO, Baylor College of Medicine (BCM), and Dr. Giuseppe N. Colasurdo, President and CEO, The University of Texas Health Science Center at Houston (UTHealth-Houston). Dr. Klotman stated that BCM and UTHealth-Houston have a longstanding relationship with Harris Health and that Harris Health and the schools have faced various challenges together. He stated that the medical schools are able to assist in finding solutions as Harris Health contends with issues such as the lack of Medicaid expansion, the uncertainty regarding 1115 Waiver renewal, and Harris County property tax adjustments. Dr. Klotman noted that Harris Health’s decisions greatly impact the medical schools and he requested that Harris Health and the Board obtain input from the medical schools as Harris Health considers its strategic plan for the future. Additionally, he requested that the schools receive sufficient notice once Harris Health makes its strategic decisions so that they have time to adapt to the implementation of any modifications.

Dr. Colasurdo stated that he and Dr. Klotman continually proclaim to state legislators that Harris Health is an asset to the community that must be sustained and that the medical schools are proud participants in the safety net healthcare system. He reported that the United States will require 100,000 physicians and that Texas will require 13,000 physicians over the next decade. Dr. Colasurdo explained that Harris Health, BCM, and UTHealth-Houston’s ability to provide high-quality medical training is an advantage that should be brought to the legislature’s attention to demonstrate the value that Harris Health and the schools offer to the community. He stated that the quality of care provided by the physicians from BCM and UTHealth-Houston has greatly improved over the past decade. Dr. Colasurdo mentioned that

the Affiliated Medical Services (AMS) contract between Harris Health and the medical schools is lean and that the reimbursement model should be reevaluated to ensure that the schools obtain the proper compensation for the excellent level of care that the physicians provide. He stated that the medical schools are fully committed to providing the best healthcare for Harris Health's patients, in addition to partnering with Harris Health to address any challenges the organization may face at the state and national levels.

Mr. Elvin Franklin, Jr. agreed that the quality of care at Harris Health has improved and he stated that the Board and the Harris Health administration are impressed with the services provided by the medical schools. He stated that it is necessary for all stakeholders to review the AMS contract periodically to ensure that the contract meets the expectations of the parties involved. Mr. Franklin further stated that going forward Harris Health will collaborate with the medical schools and the medical staff when making strategic decisions regarding the future of the organization. Ms. Daisy Stiner stated that the Board will actively seek input from BCM and UTHealth-Houston during the upcoming strategic planning process because Harris Health desires transparency and values its partnership with the schools. Mr. Masi stated that while the AMS contract binds Harris Health and the medical schools together, each party must work to transform the contractual relationship into a value-added partnership. Mr. Masi expressed appreciation for Dr. Colasurdo's and Dr. Klotman's support and thanked them for the services that their schools provide to Harris Health.

#### **IV. Hear from Citizens**

Ms. Diane Poirot, former Senior Vice President of Human Resources, expressed concern regarding the termination of Ms. Carla Goleman, former Director of Employee Benefits. She stated that Ms. Goleman was terminated October 19, 2016 after ten (10) years of service. Ms. Poirot reported that during Ms. Goleman's tenure, she saved Harris Health millions of dollars in employee pension and insurance costs and ensured that Harris Health employees received the best value. She stated that prior to being terminated, Ms. Goleman was placed on investigatory suspension without pay for one (1) week. Ms. Poirot further stated that during the suspension, Ms. Goleman was not fully informed of the reasons for the investigation. She also reported that Ms. Goleman was not granted an opportunity to respond to the allegations against her and that she was not given the reasons for her termination. Ms. Poirot requested that Ms. Goleman be informed of the reasons for the investigation, who conducted it, what the findings were of the investigation, and what the reasons were for Ms. Goleman's termination. Mr. Franklin stated that the Board will review this matter to determine the answers to Ms. Goleman's inquiries.

#### **V. Consideration of Approval of Recommendations and Acceptance of September Consent Agenda Items**

##### **Motion 16.10-85**

Moved by Ms. Carolyn Truesdell, seconded by Ms. Daisy Stiner, and passed that the Board approve agenda items V.A(1)., V.A(2)a. and V.A(2)c. through V.A(2)s. Mr. Lawrence Finder recused himself from the following September purchasing items: V.A(1)a., V.A(2)a., V.A(2)c.,

V.A(2)d., V.A(2)e., V.A(2)f., V.A(2)g., V.A(1)c., V.A(1)d., V.A(2)h., V.A(2)i., V.A(1)e., V.A(2)j., V.A(2)k., V.A(2)l., V.A(2)m., V.A(1)g., V.A(1)k., V.A(2)n., V.A(1)n., V.A(1)o., V.A(2)o., V.A(2)p., V.A(2)q., V.A(2)r., and V.A(2)s. Mr. Elvin Franklin, Jr. recused himself from purchasing item V.A(1)f.

#### **A. Items Related to Purchasing**

##### A(1). Consideration of Purchasing Ratifications Requiring Board Approval

- a. ratify the third and final renewal option for PBK to provide architectural services for new and existing Harris Health facilities in the estimated amount of \$350,000 for the term September 6, 2016 through September 5, 2017.
- b. approve the second and final renewal option for Burns DeLatte & McCoy, Inc. to provide professional engineering services in the estimated amount of \$100,000 for the term October 20, 2016 through October 19, 2017.
- c. approve additional (budgeted) funds and pricing extensions for Biomet, Inc. (\$241,542) and Stryker Orthopedics, Inc. (\$450,000) to provide orthopedic implants in the additional (budgeted) multi-vendor amount of \$691,542 for the extended pricing term October 1, 2016 through February 28, 2017 (Board previously approved funds in the amount of \$1,502,407 for the term October 1, 2015 through September 30, 2016).
- d. approve the fourth and final renewal option for Acumed, LLC to provide orthopedic implants in the estimated amount of \$156,312 for the term October 1, 2016 through September 30, 2017.
- e. approve third-year funding for the GPO contract for SurgiCount Medical, Inc. [PP-OR-1106] to provide a surgical sponge detection system in the estimated amount of \$410,184 for the term October 1, 2016 through September 30, 2017.
- f. approve a renewal to allow Harris County to utilize the Premier Inc. Group Purchasing affiliation with the Harris County Hospital District Foundation to purchase goods and services in the estimated amount of \$0 for the term October 12, 2016 through October 11, 2017.
- g. approve awards on the basis of best bids meeting specifications by class for Bayer HealthCare LLC (\$2,498); Lantheus Medical Imaging, Inc. (\$13,590); and GE Healthcare, Inc. (\$708,869) to provide specific pharmaceutical products for use in radiology imaging in the estimated multi-vendor amount of \$724,957 for the term October 1, 2016 through September 30, 2017 with two (2) one-year renewal options.
- h. approve award on the basis of lowest complete bid for Tri State Distribution, Inc. to provide prescription vials in the estimated amount of \$647,313 for the term October 1, 2016 through September 30, 2017 with four (4) one-year renewal options.
- i. approve the first of four (4) renewal options for PLB Dental Services, PLLC to operate dental facilities and provide professional dental services in the estimated amount of \$2,300,099 for the term October 1, 2016 through September 30, 2017.

- j. approve the third of four (4) renewal options for Beechnut Dialysis Center to provide outpatient end-stage renal disease care in the estimated amount of \$582,114 for the term October 9, 2016 through October 8, 2017.
- k. approve the first and final renewal option for The University of Texas at Austin to provide an eTobacco protocol in the estimated amount of \$0 for the term October 1, 2016 through September 30, 2017.
- l. approve renewal for the State of Texas Department of Motor Vehicles to provide motor vehicle inquiry services in the amount of \$480 for the term October 23, 2016 through October 22, 2017.
- m. approve additional (budgeted) funds for Diamond Drugs, Inc. d/b/a Diamond Pharmacy Services to provide inpatient and outpatient pharmaceutical dispensing for institutionalized persons of Harris County in the additional (budgeted) amount of \$900,000 for the term February 9, 2015 through August 8, 2015 or until a new contract is in place (Board previously approved funds in the amount of \$1,030,000 for the term February 9, 2015 through August 8, 2015).
- n. approve the corrected amount for the Texas Health and Human Services Commission to provide outstationed eligibility advisors / Medicaid eligibility specialists in Harris Health healthcare facilities in the corrected amount of \$325,128 for the term September 1, 2016 through August 31, 2017.
- o. approve an exemption from the competitive bid requirements for Bryan, Pendleton, Swats & McAllister, LLC to provide actuarial services in the estimated amount of \$135,000 for the term October 1, 2016 through September 30, 2017 with two (2) one-year renewal options.
- p. approve the third of four (4) renewal options for Caring Commercial Cleaning, Inc. to provide janitorial services at various locations in the estimated amount of \$427,385 for the term October 1, 2016 through September 30, 2017.
- q. approve additional (budgeted) funds and an extension for ABM Janitorial Services – South Central, Inc. to provide janitorial services at various locations in the additional estimated (budgeted) amount of \$84,018 for the extended term October 1, 2016 through March 31, 2017 (Board previously approved funds in the amount of \$168,035 for the term October 1, 2015 through September 30, 2016).
- r. approve the first of four (4) renewal options for the City of Houston through the Houston Parks and Recreation Department to provide a public indoor swimming pool for patient aquatic therapy in the estimated amount of \$2,001 for the term October 26, 2016 through October 25, 2017.
- s. approve purchase on the basis of low quote for Novacoast, Inc. [DIR-SDD-1917] to provide support and maintenance for Symantec anti-virus software in the estimated amount of \$137,790 for the term September 30, 2016 through September 29, 2017.
- t. approve purchase on the basis of low quote for Mark III Systems [13/068DG-27] to provide VMware software maintenance in the estimated amount of \$137,407 for the term October 24, 2016 through December 22, 2017.

A(2). Consideration of Purchasing Recommendations Requiring Board Approval

- a. approve purchase on the basis of single-source contract for GE Healthcare [PP-IM-266] to provide general radiography and fluoroscopy systems in the amount of \$218,368.
- b. **PULLED**  
approve purchase on the basis of lowest-priced contract for Ohio Medical Corporation [PP-FA-423] to provide medical gas pipeline equipment, services, and accessories in the estimated amount of \$169,042.
- c. approve purchase on the basis of product standardization for GE Healthcare [PP-IM-268] to provide Mobile C-Arms in the amount of \$167,156.
- d. approve purchase on the basis of lowest-priced contract for MMS – A Medical Supply Company to provide power exam tables in the estimated amount of \$105,141.
- e. approve provision for The University of Texas MD Anderson Cancer Center to provide radiation therapy and related services in the estimated amount of \$200,000 for the term November 1, 2016 through October 31, 2017 with four (4) one-year renewal options.
- f. approve first-year funding on the basis of lowest-priced contract for Medline Industries Inc. to provide exam gloves in the estimated amount of \$1,305,610 for the term May 1, 2016 through April 30, 2017.
- g. approve first-year funding on the basis of best contracts for Ansell Healthcare Products, LLC [PP-OR-1319](\$1,116 – Items 1-4); Cardinal Health 200, LLC [PP-OR-1320](\$1,753 – Item 11); Mölnlycke Health Care US, LLC [PP-OR-1322](\$17,942 – Items 52-64); and Medline Industries, LLC [PP-OR-1321](\$521,680 – Items 5-10 and 12-51) to provide surgical gloves in the estimated multi-vendor amount of \$542,491 for the term May 1, 2016 through April 30, 2017.
- h. approve additional (budgeted) funds and a pricing extension for Smith and Nephew, Inc. to provide orthopedic implants in the additional (budgeted) amount of \$130,889 for the extended pricing term November 29, 2016 through February 28, 2017 (Board previously approved funds in the amount of \$523,556 for the term November 29, 2015 through November 28, 2016).
- i. approve the third of four (4) renewal options for Terumo Medical Corporation to provide neuroendovascular diagnostic and interventional radiology products including balloons, catheters, and related products in the estimated amount of \$445,907 for the term November 1, 2016 through October 31, 2017.
- j. approve first-year funding on the basis of best contracts for B. Braun Medical Inc. [PP-OR-1268] (\$57,856 – Items 3, 5-14, 17-28); Smiths Medical ASD, Inc. [PP-OR-1265] (\$83,529 – Items 30-35); and Teleflex Medical Incorporated [PP-OR-1267] (\$96,255 – Items 1-2, 4) (all through Cardinal Health) to provide regional anesthesia trays in the estimated multi-vendor amount of \$237,640 for the term February 1, 2016 through January 31, 2017.

- k. approve second-year funding for the GPO contract for Cardinal Health 200, LLC [PP-NS-888] to provide suction canisters, yankauers, and tubing in the estimated amount of \$152,761 for the term November 1, 2016 through October 31, 2017.
- l. approve the second of ten (10) renewal options to allow the City of Houston to utilize Harris Health System contracts to purchase hospital supplies and related items in the amount of \$0 for the term November 10, 2016 through November 9, 2017.
- m. approve the second and final renewal option for Mentor Worldwide LLC to provide breast implants and related products for medical procedures in the estimated amount of \$135,515 for the term November 10, 2016 through November 9, 2017.
- n. approve additional (budgeted) funds and an extension for KPMG, LLP to provide external audit services in the additional (budgeted) amount of \$498,000 for the extended term December 6, 2016 through December 5, 2017 (Board previously approved funds in the amount of \$491,000 for the term December 6, 2015 through December 5, 2016).
- o. approve awards on the basis of best proposals meeting requirements for Dako North America, Inc.; Leica Microsystems, Inc.; and Roche Diagnostics Corporation to provide immunohistochemistry staining and special staining systems, including analyzers, reagents, consumables, and service, in the (estimated Year 1) multi-vendor amount of \$526,351 for a one-year initial term with four (4) one-year renewal options.
- p. approve renewal on the basis of sole source for FujiFilm Medical Systems USA, Inc. to provide license and maintenance services for the Synapse Picture Archiving and Communication System (PACS) in the estimated amount of \$741,250 for the term November 1, 2016 through October 31, 2017.
- q. approve the second and final renewal option on the basis of sole source for UpToDate, Inc. to provide UpToDate online subscription clinical resource information in the estimated amount of \$163,450 for the term November 1, 2016 through October 31, 2017.
- r. approve additional (budgeted) funds as an exception to the Harris County Hospital District Purchasing Manual bid requirements for AT&T Corporation to provide data circuit services in the additional (budgeted) amount of \$123,430 for the extended term March 5, 2016 through March 4, 2019 (Board previously approved funds in the amount of \$624,467 for the term March 5, 2016 through March 4, 2019).
- s. approve the third of four (4) renewal options on the basis of sole source for FujiFilm Medical Systems USA, Inc. to provide maintenance for cardiovascular system software in the estimated amount of \$114,222 for the term November 1, 2016 through October 31, 2017.

A(3). Transmittal of Competitive Awards [**For Informational Purposes Only**]

- a. **PULLED**  
transmittal of additional (budgeted) funds for Philips Healthcare [PP-MM-292] to provide maintenance and support of physiological monitoring equipment (PME) in the additional (budgeted) amount of \$99,652 for the term December 1, 2015 through November 30, 2016 (Board previously approved funds in the amount of \$605,472 for the term December 1, 2015 through November 30, 2016).
- b. transmittal of purchase for KARL STORZ Endoscopy-America, Inc. to provide preventative maintenance and repair services for KARL STORZ telescopes in the estimated amount of \$96,219.
- c. transmittal of purchase on the basis of single source contract for Olympus America, Inc. [PP-OR-1129] to provide four (4) Olympus cystoscopes in the amount of \$65,588.
- d. transmittal of purchase on the basis of product standardization for Carefusion Inc. [PP-IV-110] to provide infusion devices and device-dedicated sets in the amount of \$59,340.
- e. transmittal of renewal on the basis of sole source for Verge Solutions, LLC to provide software licenses for the Verge Solutions electronic regulatory tracking and management system and website in the estimated amount of \$64,787 for the term September 1, 2016 through August 31, 2017.
- f. transmittal of the second and final renewal option for Kurz & Co. to provide fresh bakery products in the estimated amount of \$68,000 for the term October 1, 2016 through September 30, 2017.
- g. transmittal of first-year funding for the GPO contract for Boston Scientific Company [PP-OR-1212] to provide surgical incontinence products in the estimated amount of \$93,590 for the term July 1, 2016 through June 30, 2017.
- h. transmittal of third-year funding for the GPO contract for Maquet, Inc. [PP-CA-245] to provide intra-aortic balloon pumps and accessories in the estimated amount of \$71,359 for the term November 1, 2016 through October 31, 2017.
- i. transmittal of additional (budgeted) funds for Oracle America, Inc. [DIR-TSO-2539] to provide Oracle interface engine implementation services in the additional (budgeted) amount of \$87,541 for the term April 4, 2016 through April 3, 2016 (Board previously approved funds in the amount of \$568,295 for the term April 4, 2016 through April 3, 2016).

## **VI. Consideration of Approval of Recommendations and Acceptance of October Consent Agenda Items**

### **Motion 16.10-86**

Moved by Ms. Daisy Stiner, seconded by Ms. Carolyn Truesdell, and passed that the Board approve agenda items VI.A(1)a through VI.A(1)s. and VI.A(1)u. through VI.A(1)gg. Mr. Lawrence Finder recused himself from the following purchasing items: VI.A(1)a., VI.A(1)b., VI.A(1)c., VI.A(1)d., VI.A(1)e., VI.A(1)i., VI.A(1)j., VI.A(1)l., VI.A(1)m., VI.A(1)n., VI.A(1)o., VI.A(1)p., VI.A(1)q., VI.A(1)r., VI.A(1)s., VI.A(1)t., VI.A(1)u., VI.A(1)y., VI.A(1)z., VI.A(1)aa., VI.A(1)bb., VI.A(1)cc., and VI.A(1)ee.



## A. Items Related to Purchasing

- A(1). Consideration of Purchasing Recommendations Requiring Board Approval
- a. approve purchase on the basis of best contract for Stryker Sales Corporation [PP-OR-1131] to provide general surgery endoscopy, camera, and video equipment in the amount of \$2,221,383.
  - b. approve the fourth and final renewal option for Philips Healthcare [PP-MM-292] to provide maintenance and support of physiological monitoring equipment in the estimated amount of \$705,124 for the term December 1, 2016 through November 30, 2017.
  - c. approve purchase on the basis of single-source contract for Invivo Corporation [PP-IM-260] to provide MRI-safe auxiliary equipment and coils in the amount of \$369,902.
  - d. approve purchase on the basis of best contract for Covidien Sales LLC [PP-MM-262] to provide ten (10) intensive care ventilators in the amount of \$270,000.
  - e. approve purchase on the basis of lowest-priced contract for Dräger Medical, Inc. [PP-MM-263] to provide four (4) neonatal ventilators in the estimated amount of \$109,486.
  - f. approve the third of four (4) renewal options for Landscape Consultants of Texas, Inc. to provide grounds maintenance in the estimated amount of \$225,000 for the term November 1, 2016 through October 31, 2017.
  - g. approve award on the basis of only bid received for M.E.K. Interiors and Floors LLC to provide flooring replacement at Quentin Mease Hospital in the amount of \$180,286 (\$171,701 construction price / \$8,585 owner contingency).
  - h. approve award on the basis of low bid meeting specifications for M.E.K. Interiors and Floors LLC to provide flooring and millwork replacement of Units 4D and 4E at Ben Taub Hospital in the amount of \$104,862 (\$99,869 construction price / \$4,993 owner contingency).
  - i. approve purchase on the basis of product standardization for GE Healthcare [PP-IM-268] to provide one (1) mobile C-arm at Lyndon B. Johnson Hospital.
  - j. approve purchase on the basis of single-source contract for Philips Healthcare [PP-MM-292] to provide physiological monitoring systems in the amount of \$141,764.
  - k. approve purchase on the basis of low quote for MLN Service Company [BuyBoard No. 458-14] to provide heating, ventilation, and air-conditioning retrofit at the Acres Homes Health Center in the amount of \$153,644 (\$141,175 project price / \$7,300 owner contingency / \$5,169 bonding).
  - l. approve an extension for Baylor College of Medicine to provide a Clostridium difficile infection (CDI) research study at Ben Taub Hospital in the estimated additional amount of \$0 for the extended term October 1, 2016 through March 31, 2017 (Board previously approved DSHS grant funds in the amount of \$335,425 for the term October 1, 2015 through September 30, 2016).

- m. approve purchase as an exception to the Harris Health System Purchasing Manual bid requirements for Stryker Sales Corporation through Stryker Endoscopy Division to provide laparoscopic surgical services in the estimated amount of \$1,424,520 for a one-year initial term with four (4) one-year renewal options.
- n. approve first-year funding for the GPO contracts for Aesculap, Inc. [PP-OR-1114] (\$209,941) and Integra Lifesciences Corporation [PP-OR-1115] (\$234,923) to provide neurosurgical products in the estimated multi-vendor amount of \$444,864 for the term September 1, 2016 through August 31, 2017.
- o. approve first-year funding on the basis of single-source ASCEND contract for Covidien Sales LLC [AS-AC-099] through Cardinal Health to provide incontinence products in the estimated amount of \$430,804 for the term August 1, 2016 through July 31, 2017.
- p. approve first-year funding on the basis of single-source ASCEND contract for PDC Healthcare (Precision Dynamics Corporation) [AS-MM-372] through Cardinal Health to provide labels, identification bands, and related products in the estimated amount of \$228,576 for the term February 1, 2016 through July 31, 2017.
- q. approve award on the basis of only proposal received for W.L. Gore & Associates, Inc. to provide endoprosthesis stents in the estimated amount of \$231,477 for a one-year initial term with four (4) one-year renewal options.
- r. approve additional (budgeted) funds and an extension for Hill-Rom Company, Inc. to provide rental of therapeutic and bariatric beds, surfaces, various accessories, and services in the additional (budgeted) amount of \$183,146 for the extended term December 1, 2016 through February 28, 2017 (Board previously approved funds in the amount of \$1,062,150 for the term June 1, 2015 through November 30, 2016).
- s. approve third-year funding for the GPO contracts for Covidien Sales LLC [PP-WC-144] (\$31,693) and Medela Incorporated [PP-WC-146] (\$110,024) (all through Cardinal Health) to provide neonatal specialty products in the estimated multi-vendor amount of \$141,717 for the term November 1, 2016 through October 31, 2017.
- t. **PULLED**  
approve purchase on the basis of sole source for Boston Scientific Corporation to provide the GreenLight XPSTM Laser Therapy System and MoXy laser fibers in the estimated amount of \$100,080.
- u. approve the second and final renewal option for Mead Johnson & Company (\$237); Abbott Nutrition, division of Abbott Laboratories (\$13,591); and Nestlé HealthCare Nutrition, Inc. (\$257,654) to provide infant and adult nutritional/disease-specific formulas in the estimated multi-vendor amount of \$271,482 for the term November 1, 2016 through October 31, 2017.
- v. approve the first of four (4) renewal options for JWB Mobile Dentistry to operate a mobile dental van in the estimated (HRSA grant funds) amount of \$297,000 for the term January 1, 2017 through December 31, 2017.

- w. approve payment on the basis of sole source for the Texas Medical Center (TMC) to provide security and maintenance for common areas within the TMC for 2016 in the estimated amount of \$167,790 for the (assessment period) term January 1, 2016 through December 31, 2016.
- x. approve award on the basis of low bid for Waste Corporation of Texas LP – a Delaware Limited Partnership to provide refuse removal services in the estimated amount of \$326,220 for the term November 1, 2016 through October 31, 2017 with four (4) one-year renewal options.
- y. approve the first of two (2) renewal options for EBSCO Information Services to provide nursing reference database access in the estimated amount of \$136,441 for the term January 1, 2017 through December 31, 2017.
- z. approve the first of four (4) renewal options for Becton Dickinson & Company, through its BD Diagnostics – Diagnostics System to provide an integrated platform for microbiology automation, blood culture, identification, and susceptibility, including analyzer(s), reagents, consumables, and services in the estimated amount of \$1,184,922 for the term December 5, 2016 through December 4, 2017.
- aa. approve the third of four (4) renewal options for Sysmex America, Inc. [PP-LA-345] to provide hematology analyzers, reagents, consumables, supplies, and service in the estimated amount of \$510,427 for the term November 19, 2016 through November 18, 2017.
- bb. approve the revised term and second of four (4) renewal options for the College of American Pathologists to provide external proficiency testing in the estimated amount of \$192,696 for the (revised) term December 31, 2016 through December 30, 2017 (Previously approved term was February 27, 2016 through February 26, 2017).
- cc. approve award on the basis of lowest-priced offer meeting requirements for Beckman Coulter, Inc. [PP-LA-333] to provide an integrated platform for chemistry and immunochemistry analyzer(s), automation, reagents, consumables, and service in the amount of \$2,324,454 (\$2,124,454 estimated Year 1 amount / \$200,000 not-to-exceed contingency) for a one-year initial term with four (4) one-year renewal options.
- dd. rescind the award for Oxford Immunotec, Inc. to provide a mycobacterium tuberculosis interferon gamma release assays system, including analyzer(s), reagents, consumables, and service for a one-year initial term with four (4) one-year renewal options.
- ee. approve purchase on the basis of low quote for General Datatech, L.P. [DIR-TSO-2542] to provide a technology refresh of the Harris Health System telephone system and call center system in the amount of \$1,786,873.
- ff. approve purchase as an exception to the Harris Health System Purchasing Manual bid requirements for Data Innovations, LLC to provide middleware software and services in the estimated amount of \$364,666 for a one-year initial term with four (4) one-year renewal options.

The term for purchasing item VI.A(1)ff. was **REVISED** from “One-year initial term or until terminated by either party” to “One-year initial term with four (4) one-year renewal options.”

- gg. approve additional (budgeted) funds for Shared Technologies, Inc. to provide maintenance of telephone and voice communication systems in the additional (budgeted) amount of \$355,495 for the term June 1, 2015 through May 31, 2017 (Board previously approved funds in the amount of \$1,852,937 for the term June 1, 2015 through May 31, 2017).

A(2). Transmittals of Completed Items **[For Informational Purposes Only]**

- a. **PULLED**  
transmittal of purchase on the basis of best contract for FUJIFILM SonoSite, Inc. [PP-IM-317] to provide a portable ultrasound in the amount of \$99,999.
- b. transmittal of purchase on the basis of lowest-priced contract for GE Healthcare [PP-IM-271] to provide an ultrasound system in the amount of \$99,848.
- c. transmittal of purchase on the basis of single-source contract for Philips Healthcare, Inc. to provide an ultrasound machine upgrade in the amount of \$72,576.
- d. transmittal of purchase on the basis of product standardization for STERIS Corporation [PP-OR-1296] to provide operating room lights and booms in the amount of \$50,309.
- e. transmittal of additional (budgeted) funds for the ECRI Institute to provide a healthcare assessment technology program in the additional (budgeted) amount of \$4,951 for the term February 9, 2016 through February 7, 2017 (Board previously approved funds in the amount of \$47,199 for the term February 8, 2016 through February 7, 2017).
- f. transmittal of purchase on the basis of sole source for ConMed Corporation to provide endoprosthesis stents in the estimated amount of \$90,941 for a one-year initial term with two (2) one-year renewal options.
- g. transmittal of the third of four (4) renewal options for Global Healthcare Exchange, LLC to provide a subscription for MetaTrade and Procurement Suite software in the estimated amount of \$73,450 for the term November 7, 2016 through November 6, 2017.
- h. transmittal of first-year funding on the basis of single-source ASCEND contract for BSN Medical, Inc. [AS-OR-1360] through Cardinal Health to provide casting and splinting products in the estimated amount of \$58,636 for the term November 1, 2016 through October 31, 2017.
- i. transmittal of additional (budgeted) funds and an extension for RecoverCare, LLC to provide rental of therapeutic beds, surfaces, various accessories, and services in the additional (budgeted) amount of \$48,190 for the extended term September 3, 2016 through February 28, 2017 (Board previously approved funds in the amount of \$254,056 for the term September 3, 2015 through September 2, 2016).

- j. transmittal of the first two (2) renewal options for Morris & Dickson Co., LLC to provide pharmaceutical tracking software in the estimated amount of \$73,800 for the term November 9, 2016 through November 8, 2017.
- k. transmittal of the second of four (4) renewal options for IDN Acme Inc. to provide locksmith supplies and related items in the estimated amount of \$25,000 for the term November 1, 2016 through October 31, 2017.
- l. transmittal of exemption from the competitive bid requirements for Chris Traylor to provide intergovernmental liaison services in the estimated amount of \$62,500 for a one-year initial term with one (1) one-year renewal option.
- m. transmittal of award on the basis of lowest-priced proposal for Sebia, Inc. to provide automated electrophoresis analyzer(s), including reagents, consumables, and service in the (estimated Year 1) amount of \$64,095 for a one-year initial term with four (4) one-year renewal options.
- n. transmittal of the revised term and second of four (4) renewal options for Vital Images, Inc. to provide technical support and maintenance for the radiological imaging post-processing applications system for Ben Taub and Lyndon B. Johnson Hospitals in the estimated amount of \$99,293 for the revised term November 21, 2016 through November 20, 2017 (Previously approved term was June 25, 2015 through June 24, 2016).
- o. transmittal of purchase on the basis of low quote for TSA, Inc. to provide Hewlett Packard [DIR-TSO-2538] servers and storage in the amount of \$98,753.
- p. transmittal of purchase on the basis of sole source for Computer Technology Corporation d/b/a Cactus Software to provide Visual Cactus software upgrades in the estimated amount of \$89,215.
- q. transmittal of purchase on the basis of sole source for Spectrio LLC d/b/a Vericom to provide an on-hold telecommunications message system in the estimated amount of \$86,027 for a one-year initial term with two (2) one-year renewal options.
- r. transmittal of the third of four (4) renewal options for Wolters Kluwer Clinical Drug Information, Inc. f/k/a Lexi-Comp, Inc. to provide a drug database software system in the estimated amount of \$76,303 for the term December 26, 2016 through December 25, 2017.
- s. transmittal of purchase on the basis of sole source for Hewlett Packard Enterprise Company [DIR-TSO-2538] to provide Hewlett Packard computer hardware and software server maintenance and support in the estimated amount of \$67,637 for the term November 1, 2016 through October 31, 2017.
- t. transmittal of purchase on the basis of sole source for Citrix Systems, Inc. to provide Citrix Enterprise support in the estimated amount of \$70,250 for the term October 21, 2016 through July 31, 2017.
- u. transmittal of the second of four (4) renewal options on the basis of sole source for EndoSoft, LLC to provide maintenance for the video endoscopy management

system at Ben Taub and Lyndon B. Johnson Hospitals in the amount of \$63,938 for the term November 5, 2016 through November 4, 2017.

- v. transmittal of utilization of the contract for CompuCycle, Inc. to provide disposal of salvage electronic equipment and related items in the estimated amount of \$10,000 for the term November 1, 2016 through October 31, 2017.
- w. transmittal of purchase on the basis of sole source for Cardinal Health 414, LLC to provide Xofigo® (radium Ra 223 dichloride) injections in the estimated amount of \$100,000 for the term November 1, 2016 through October 31, 2017.

## VII. Recommended Committee Approvals

### Motion 16.10-87

Moved by Ms. Carolyn Truesdell, seconded by Mr. Lawrence Finder, and passed that the Board approve agenda items VII.1. through VII.31. and VII.33. through VII.69. Mr. Elvin Franklin, Jr. recused himself from the following agenda items: VII.17., VII.51., VII.52., VII.53., VII.54., VII.55., VII.56., VII.57., VII.58., and VII.59.

1. Approval of the Health Care for the Homeless Program Quality of Care Report for 1st and 2nd Quarters, 2016.
2. Approval to Terminate the Certified Application Counselor Designated Organization Agreement Between Harris Health System and the Centers for Medicare & Medicaid Services.
3. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and Houston Baptist University (Bachelor of Science in Nursing Program).
4. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and The University of Texas Medical Branch at Galveston (Masters of Science in Nursing Program).
5. Approval of the Harris Health System Fiscal Year 2018 Healthcare Premium Rate Schedules for Employees, Retirees, and COBRA Participants, Effective March 1, 2017.
6. Approval to Ratify the Addition of an Investment in the Schroders Emerging Markets Equity Fund to the Harris County Hospital District Pension Plan, Effective August 1, 2016.
7. Approval to Ratify a First Amendment to Increase a Grant Award by \$18,409 Between Harris County Hospital District d/b/a Harris Health System and the Dallas County Hospital District d/b/a Parkland Health & Hospital System for the South Central AIDS Education and Training Center Region 6, Funded Pursuant to the Ryan White HIV/AIDS Treatment Extension Act of 2009 Part F, to Provide State-of-the-Art Education, Consultation, and Support to Healthcare Professionals Treating HIV-Positive Patients.

8. Approval of the Health Care for the Homeless Annual Budget, as Required by the United States Department of Health and Human Services, Which Provides Funding to the Harris County Hospital District d/b/a Harris Health System to Provide Health Services to Persons Experiencing Homelessness Under Section 330(h) of the Public Health Service Act Health Care for the Homeless Program.
9. Approval for the Health Care for the Homeless Program to Remove Crossroads from the Scope of Project, as Required by the United States Department of Health and Human Services, Which Provides Funding to the Harris County Hospital District d/b/a Harris Health System to Provide Health Services to Persons Experiencing Homelessness Under Section 330(h) of the Public Health Service Act Health Care for the Homeless Program.
10. Approval for the Health Care for the Homeless Program to Edit the Scope of Project, as Required by the United States Department of Health and Human Services, Which Provides Funding to the Harris County Hospital District d/b/a Harris Health System to Provide Health Services to Persons Experiencing Homelessness Under Section 330(h) of the Public Health Service Act Health Care for the Homeless Program.
11. Approval for the Health Care for the Homeless Program to Remove Casa Maria from the Scope of Project, as Required by the United States Department of Health and Human Services, Which Provides Funding to the Harris County Hospital District d/b/a Harris Health System to Provide Health Services to Persons Experiencing Homelessness Under Section 330(h) of the Public Health Service Act Health Care for the Homeless Program.
12. Approval for the Health Care for the Homeless Program to Remove SEARCH Homeless Services from the Scope of Project, as Required by the United States Department of Health and Human Services, Which Provides Funding to the Harris County Hospital District d/b/a Harris Health System to Provide Health Services to Persons Experiencing Homelessness Under Section 330(h) of the Public Health Service Act Health Care for the Homeless Program.
13. Approval for the Health Care for the Homeless Program to Remove COMPASS from the Scope of Project, as Required by the United States Department of Health and Human Services, Which Provides Funding to the Harris County Hospital District d/b/a Harris Health System to Provide Health Services to Persons Experiencing Homelessness Under Section 330(h) of the Public Health Service Act Health Care for the Homeless Program.
14. Approval of Family Planning Fee-for-Service and Categorical Grant Awards in a Combined Amount Not to Exceed \$1,895,107 from the Texas Health and Human Services Commission to the Harris County Hospital District d/b/a Harris Health System to Provide Reproductive Health Services to Harris County, Texas Residents, Age 64 Years or Younger, Living At or Below 250% of the Federal Poverty Level, for the Term October 1, 2016 Through August 31, 2017.

Ms. Daisy Stiner inquired regarding agenda items VII.9. through VII.13., which propose to remove certain health clinics from the scope of project under the Health Care for the Homeless Program. Dr. Michael Gardner, Executive Vice President and Administrator, Ambulatory Care Services (ACS), responded that these agenda items will not decrease

the services provided under Harris Health's homeless programs. He explained that the purpose of these motions is to satisfy compliance requests from the Health Resources and Services Administration (HRSA) survey that was conducted regarding Harris Health's Health Care for the Homeless Program in September 2016. Ms. Stiner requested a list of Harris Health's advisory councils and a schedule of their meeting dates. Dr. Gardner stated that he will provide this information.

15. Approval to Amend the Term of a Grant Award in the Amount of \$335,425 from the Texas Department of State Health Services to the Harris County Hospital District d/b/a Harris Health System for the Clostridium difficile Research Program, from October 1, 2015 Through March 31, 2017.
16. Approval of a Grant Award in the Amount of \$868,486 from the Women's Health Services Division of the Health and Human Services Commission to Harris County Hospital District d/b/a Harris Health System for Breast and Cervical Cancer Services (BCCS) for Fiscal Year 2017.
17. Approval of a Grant Award in the Amount of \$14,895 from the Harris County Hospital District Foundation's SCRUBS Young Professional Fundraiser – 2016 Cinco de Bingo Awarded to Harris County Hospital District d/b/a Harris Health System for the Adolescents in Motion Program.
18. Approval to Enter a Lease Agreement with Kynto Ventures, LLC for the Vallbona Health Center Annex Located at 6601 Tarneff Drive, Houston, Texas 77074 at a Monthly Rate of \$20,833.33 (\$249,999.96/Yr.) for the Term November 1, 2016 Through October 31, 2017.
19. Approval to Transfer Funds in an Amount Not to Exceed \$17,836,833 in FY2017/2018 to the Harris County Engineering Department to Provide Services for Prioritized Infrastructure Projects Within Harris Health System Facilities.
20. Approval to Ratify the Addition of the Principal Global Real Estate Securities Fund and the PIMCO Inflation Response Multi-Asset Fund to the 401(k) Plan and 457(b) Plan Fund Lineups, Effective August 22, 2016, and the Removal of the PIMCO All Asset Fund from the 401(k) and 457(b) Fund Lineups, Effective August 23, 2016, Based on Execution of the 22nd Amendment to the Fidelity Management Trust Company Agreement for the 401(k) Plan and Execution of the 7th Amendment to the Fidelity Management Trust Company Agreement for the 457(b) Plan.
21. Approval of the Amended and Restated Harris County Hospital District Qualified Parking Plan, Effective January 1, 2017.
22. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System, Baylor College of Medicine, and the University of North Texas (Master of Science in Speech and Language Pathology Program).
23. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System, The University of Texas Health Science Center at Houston, and Prairie View A&M University (Masters of Science in Nursing – Family Nurse Practitioner Program).



24. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System, Baylor College of Medicine, and Angelo State University (Masters of Science in Nursing – Family Nurse Practitioner Online Program).
25. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and Texas Southern University (Community Pharmacy Residency Certification Program).
26. Approval of an Affiliation Agreement for a Health Career Pathways Partnership Grant in an Annual Amount Not to Exceed \$494,125 Between Harris County Hospital District d/b/a Harris Health System and San Jacinto Community College District.
27. Approval to Ratify a Subaward Under Grant #PP160079 Between Harris County Hospital District d/b/a Harris Health System and Baylor College of Medicine in the Amount of \$440,724 from the Cancer Prevention Research Institute of Texas (CPRIT) to Increase HPV Vaccine Uptake and Completion Among Pediatric Patients in a Safety Net Healthcare Setting for the Term September 1, 2016 Through August 31, 2019.
28. Approval to Ratify a Subaward Under Grant #PP160089 Between Harris County Hospital District d/b/a Harris Health System and Baylor College of Medicine in the Amount of \$383,852 from the Cancer Prevention Research Institute of Texas (CPRIT) to Prevent Hepatocellular Carcinoma (HCC) Through Screening, Vaccination, and Treatment of Viral Hepatitis for the Term September 1, 2016 Through August 31, 2019.
29. Approval to Ratify a Subaward Under Grant #PP160122 Between Harris County Hospital District d/b/a Harris Health System and Baylor College of Medicine in the Amount of \$364,434 from the Cancer Prevention Research Institute of Texas (CPRIT) to Reduce Racial / Ethnic Disparities in Colorectal Cancer (CRC) Screening: A Comprehensive EMR-Based Patient Navigation Program, Including Technology-Driven CRC Outreach and Education for the Term September 1, 2016 Through August 31, 2019.
30. Approval to Ratify a Grant Award Amendment from the Texas Department of State Health Services to Harris County Hospital District d/b/a Harris Health System in an Amount Not to Exceed \$262,921 to Provide Epilepsy Services For the Term September 1, 2014 Through November 30, 2016.
31. Approval to Ratify a Grant Award From the Texas Department of State Health Services and the Texas Health & Human Services Commission to Harris County Hospital District d/b/a Harris Health System in an Amount Not to Exceed \$105,098 to Provide Epilepsy Services For the Term September 1, 2016 Through August 31, 2017.
32. **PULLED**  
Consideration of Approval to Ratify a Grant Award and Matching Contribution From the Texas Department of Transportation to Harris County Hospital District d/b/a Harris Health System in an Amount Not to Exceed \$51,187 to Provide a “Drive Safe Houston” Educational Program For the Term October 1, 2016 Through September 30, 2017.
33. Approval to Ratify a Grant Budget Reconciliation Agreement Between The University of Texas Health Science Center at Houston and Harris County Hospital District d/b/a

Harris Health System in an Amount Not to Exceed \$21,726.24 For the Term July 1, 2014 Through June 30, 2016.

34. Approval to Ratify a Grant Award From the Texas Department of State Health Services to Harris County Hospital District d/b/a Harris Health System in an Amount Not to Exceed \$35,000 to Provide Tuberculosis Prevention and Control Services For the Term September 1, 2016 Through August 31, 2017.
35. Approval to Renew an Agreement Between the Houston Independent School District and Harris County Hospital District d/b/a Harris Health System to Administer a School-Based Program at Marshall Middle School For the Term October 27, 2016 Through August 31, 2017.
36. Approval to Amend an Interlocal Agreement Between Harris County Public Health and Environmental Services (HCPHES) and Harris County Hospital District d/b/a Harris Health System in the Amount of \$267,911, Funded Under the Ryan White HIV/AIDS Treatment Extension Act Part A, to Provide Primary Medical Care, Psychiatric Services, Obstetric and Gynecological Care, and a Local Pharmacy Assistance Program to HIV-Positive Patients of Harris Health System From the Agreement Execution Date Through February 28, 2017.
37. Approval to Continue an Agreement Between the Crossroads at Park Place and Harris County Hospital District d/b/a Harris Health System to Provide On-Site Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program For the Term January 1, 2017 Through December 31, 2017.
38. Approval to Continue an Agreement Between Harmony House, Inc. and Harris County Hospital District d/b/a Harris Health System to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program For the Term January 1, 2017 Through December 31, 2017.
39. Approval to Continue an Agreement Between Jackson Hinds Gardens and Harris County Hospital District d/b/a Harris Health System to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program For the Term January 1, 2017 Through December 31, 2017.
40. Approval to Continue an Agreement Between Lord of the Streets and Harris County Hospital District d/b/a Harris Health System to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program For the Term January 1, 2017 Through December 31, 2017.
41. Approval to Continue an Agreement Between Open Door Mission and Harris County Hospital District d/b/a Harris Health System to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program For the Term January 1, 2017 Through December 31, 2017.
42. Approval to Continue an Agreement Between The Salvation Army Adult Rehabilitation Center and Harris County Hospital District d/b/a Harris Health System to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program For the Term January 1, 2017 Through December 31, 2017.

43. Approval to Continue an Agreement Between The Salvation Army Family Residence and Harris County Hospital District d/b/a Harris Health System to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program For the Term January 1, 2017 Through December 31, 2017.
44. Approval to Continue an Agreement Between The Salvation Army Sally's House and Harris County Hospital District d/b/a Harris Health System to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program For the Term January 1, 2017 Through December 31, 2017.
45. Approval to Continue an Agreement Between the Star of Hope Mission Men's Development Center and Harris County Hospital District d/b/a Harris Health System to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program For the Term January 1, 2017 Through December 31, 2017.
46. Approval to Continue an Agreement Between the Star of Hope Mission Transitional Living Center and Harris County Hospital District d/b/a Harris Health System to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program For the Term January 1, 2017 Through December 31, 2017.
47. Approval to Continue an Agreement Between the Star of Hope Mission Women & Families Emergency Shelter and Harris County Hospital District d/b/a Harris Health System to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program For the Term January 1, 2017 Through December 31, 2017.
48. Approval to Continue an Agreement Between Houston COMPASS, Inc. and Harris County Hospital District d/b/a Harris Health System to Provide On-Site Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program For the Term January 1, 2017 Through December 31, 2017.
49. Approval to Continue an Agreement Between the Service of the Emergency Aid Resource Center for the Homeless (S.E.A.R.C.H.) and Harris County Hospital District d/b/a Harris Health System to Provide On-Site Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program For the Term January 1, 2017 Through December 31, 2017.
50. Approval of a Supplemental Award in the Amount of \$83,979 for the Health Care for the Homeless Program, as Required by the United States Department of Health and Human Services, Which Provides Funding to the Harris County Hospital District d/b/a Harris Health System to Provide Health Services to Persons Experiencing Homelessness Under Section 330(h) of the Public Health Service Act Health Care for the Homeless Program.
51. Approval of a Grant Agreement in the Amount of \$5,000 from the Harris County Hospital District Foundation's Small Grants Fund Awarded to Harris County Hospital District d/b/a Harris Health System for the Fresh Foodies Program.

52. Approval of a Grant Agreement in the Amount of \$5,000 from the Harris County Hospital District Foundation's Employee Contribution Small Grants Committee Awarded to Harris County Hospital District d/b/a Harris Health System for an American Academy of Ambulatory Care Nursing (AAACN) Certification Course for Ambulatory Care Services.
53. Approval of a Grant Agreement in the Amount of \$5,000 from the Harris County Hospital District Foundation's Employee Contribution Small Grants Committee Awarded to Harris County Hospital District d/b/a Harris Health System for the 2017 Innovation Summit.
54. Approval of a Grant Agreement in the Amount of \$5,000 from the Harris County Hospital District Foundation's Small Grants Fund Awarded to Harris County Hospital District d/b/a Harris Health System for Patient Medication Ready Bags.
55. Approval of a Grant Agreement in the Amount of \$5,000 from the Harris County Hospital District Foundation's Small Grants Fund Awarded to Harris County Hospital District d/b/a Harris Health System for the Diabetes Multidisciplinary Program Wall of Wellness.
56. Approval of a Grant Agreement in the Amount of \$5,000 from the Harris County Hospital District Foundation's Small Grants Fund Awarded to Harris County Hospital District d/b/a Harris Health System for Diabetes Foot Exam Inspection Mirrors.
57. Approval of a Grant Agreement in the Amount of \$5,000 from the Harris County Hospital District Foundation's Small Grant Committee Awarded to Harris County Hospital District d/b/a Harris Health System for the Partnership for Success Program.
58. Approval of a Grant Agreement in the Amount of \$5,000 from the Harris County Hospital District Foundation's Small Grants Fund Awarded to Harris County Hospital District d/b/a Harris Health System for the FitBit First Steps with Weight Management Program.
59. Approval of a Grant Agreement in the Amount of \$2,800 from the Harris County Hospital District Foundation's Small Grant Fund Awarded to Harris County Hospital District d/b/a Harris Health System for a Volunteer Interpreter Program.
60. Approval to Renew an Agreement Between the American Association of Retired Persons (AARP) Senior Community Service Employment Program and Harris County Hospital District d/b/a Harris Health System to Train Volunteers for Harris Health System Facilities.
61. Approval to Renew an Agreement Between Service Employment Redevelopment (SER) – Jobs for Progress and Harris County Hospital District d/b/a Harris Health System to Train Volunteers for Harris Health System Facilities.
62. Acceptance of the Harris Health System Ben Taub Hospital Laboratory Supply and Service Expenditure Controls Auditor's Report.
63. Acceptance of the Harris Health System Insurance Collections Controls Auditor's Report.

64. Acceptance of the Harris Health System No-Notice Cash Count Ben Taub Hospital Patient Access Management Cashiering Auditor's Report.
65. Acceptance of the Harris Health System No-Notice Cash Count Quentin Mease Hospital Patient Access Management Cashiering Auditor's Report.
66. Acceptance of the Harris Health System No-Notice Cash Count Gulfgate Community Health Center Patient Access Management Cashiering Auditor's Report.
67. Acceptance of the Harris Health System No-Notice Cash Count Strawberry Community Health Center Patient Access Management Cashiering Auditor's Report.
68. Acceptance of the Harris Health System No-Notice Cash Count Martin Luther King, Jr. Health Center Patient Access Management Cashiering Auditor's Report.
69. Acceptance of the Harris Health System Nursing Controlled Substances Controls Follow-Up Auditor's Report.

*{End of Consent Agenda}*

**Executive Session (Agenda Item XI.G. was taken out of order)**

At 9:47 a.m., Mr. Franklin stated that the Board would enter into Executive Session under Texas Gov't Code Ann. §551.071.

**Reconvene**

At 10:31 a.m., Mr. Franklin reconvened the meeting and stated that no action was taken in Executive Session.

- G. Consultation with the County Attorney Regarding Harris Health's Financial Assistance Program and Purchase of Marketplace Insurance for Eligible Patients, Pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding This Matter Upon Return to Open Session.

**Motion 16.10-101**

Moved by Ms. Carol Graebner, seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve agenda item XI.G.

The Harris County Hospital District d/b/a Harris Health System ("Harris Health"), by and through its Board of Trustees and upon the recommendation of its Administration, approves and hereby authorizes the purchase of Marketplace Insurance on behalf of eligible patients in an amount not to exceed \$12,000,000.00.

**VIII. Board Review and Action Items**

**A. Action Item Related to the Budget & Finance Committee**

**Motion 16.10-88**

Moved by Ms. Carolyn Truesdell, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda item VIII.A.1.

1. Approval of Payment of 2016 – 2017 Membership Dues to the Texas Hospital Association in the Amount of \$137,875.

Mr. Michael Norby, Executive Vice President and Chief Financial Officer, presented the recommendation for payment of 2016 – 2017 Membership Dues to the Texas Hospital Association. A copy of the invoice is available in the permanent record.

**B. Miscellaneous Action Items**

**Motion 16.10-89**

Moved by Ms. Carolyn Truesdell, seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve agenda item VIII.B.1.

1. Acceptance of the Harris Health System 2016 Annual Report.

Ms. Amanda Callaway, Associate Administrator of Mission Advancement, presented the Harris Health System 2016 Annual Report. She stated that in celebration of 2016 being Harris Health's 50th anniversary, the Annual Report paid tribute to Harris Health's past and highlighted the accomplishments the organization has achieved since its inception. A copy of the report is available in the permanent record.

**Motion 16.10-90**

Moved by Mr. Lawrence Finder, seconded by Ms. Carol Graebner, and unanimously passed that the Board approve agenda item VIII.B.2.

2. Acceptance of Proposed Revisions to the Bylaws of the Governing Body of the Ambulatory Surgical Center at LBJ.

Mr. Terry Reeves, Senior Vice President of Corporate Compliance, presented the proposed revisions to the Bylaws of the Governing Body of the Ambulatory Surgical Center at LBJ. He stated that Article III., Section 2. regarding Governing Body membership appointments was modified to state that the Harris Health Chief Nursing Executive shall be a voting member of the Governing Body instead of the President and Chief Executive Officer. A copy of the Bylaws is available in the permanent record.

**Motion 16.10-91**

Moved by Ms. Carolyn Truesdell, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda item VIII.B.3.

3. Approval to Appoint Dr. Maureen Padilla to the Governing Body of the Ambulatory Surgical Center at LBJ.

Mr. Reeves presented the recommendation to appoint Dr. Maureen Padilla to the Governing Body of the Ambulatory Surgical Center at LBJ. He stated that the

Governing Body of the ASC at LBJ requests Board approval to appoint Dr. Padilla as a voting member of the Governing Body since she is Harris Health's Chief Nursing Executive.

**Motion 16.10-92**

Moved by Ms. Carol Graebner, seconded by Ms. Carolyn Truesdell, and passed that the Board approve agenda item VIII.B.4. Ms. Daisy Stiner recused herself from this agenda item.

4. Approval Regarding the Appointment of the President, Chief Executive Officer, and Executive Vice President of Community Health Choice Texas, Inc. (Community Texas) in Accordance with the Corporate Bylaws of Community Texas.

Mr. Kenneth Janda presented the recommendation for the appointments of the President, Chief Executive Officer, and Executive Vice President of Community Texas. He explained that the Community Texas Board of Directors appointed him as the President and Chief Executive Officer of Community Texas and Ms. Karen Love as the Executive Vice President and Chief Operating Officer. Mr. Janda stated that the appointments require approval from the Harris Health Board of Trustees.

**Motion 16.10-93**

Moved by Mr. Lawrence Finder, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda item VIII.B.5.

5. Approval of a Resolution to Modify the Name of the Governing Body of the Harris County Hospital District d/b/a Harris Health System from the "Board of Managers" to the "Board of Trustees."

The Board of Managers, acting as the governing body for Harris Health System, approved changing the name of the "Board of Managers" to the "Board of Trustees" at its regular meeting on July 27, 2016. The Board further authorizes and approves amending the Bylaws of the Board of Managers to reflect that the term "Board of Managers" is changed to "Board of Trustees."

**IX. Strategic Discussion Issues**

**A. Review and Discussion Regarding the Harris Health System Employee Recruitment and Retention Program**

Mr. Omar Reid, Senior Vice President of Human Resources, led the discussion regarding Harris Health's employee recruitment and retention program. He stated that Harris Health does not have a problem hiring employees, but rather it has a problem retaining employees. Harris Health is fighting to retain talent as the demand for healthcare workers continues to outpace the market of available workers. Mr. Reid reported that the healthcare industry is expected to produce one-third of new jobs in the United States over the next decade and is projected to create 5,000,000 jobs by 2022. The human

resources research team conducted an assessment of Harris Health's recruitment and retention as they relate specifically to the key service lines of nursing, revenue cycle, environmental services (EVS), and information technology (IT). Mr. Reid stated that Harris Health almost doubled its turnover rate from 10.7% in 2009 to 20.6% in 2015, and that the 2015 rate accounts for the reduction-in-force that occurred at the beginning of 2015. He reported that Harris Health hired 1,508 employees and terminated 1,580 employees in 2015. During the first nine (9) months of 2016, Harris Health hired 1,661 employees and terminated 1,643 employees, which places the organization on pace to surpass the turnover rate from 2015. Mr. Reid emphasized that Harris Health must implement processes which will positively impact employee retention. He clarified that "termination" not only means involuntary termination but also includes employees who voluntarily elected to leave Harris Health due to the following reasons: 1) retirement, 2) failure to return after a leave of absence, 3) health reasons, 4) personal reasons, 5) relocation, and 6) resignation. The primary reasons that Harris Health employees cite for leaving the organization are dissatisfaction with their manager(s), dissatisfaction with their compensation, and lack of career growth. Harris Health addressed its recruitment and retention challenges throughout 2016 by decreasing the vacancy rate in the IT department; conducting job reviews, compensation reviews, and leadership development in the EVS department; and modifying the exit interview process.

Mr. Reid stated that because Harris Health's average cost per hire is \$1,500, decreasing employee turnover will assist Harris Health in being good stewards of taxpayer funds. He advised that Harris Health create a balance of the rewards and benefits received by employees in exchange for their workplace performance. Mr. Reid noted that the employees are Harris Health's most valuable resource and he recommended that Harris Health put forth greater effort to invest in its employees to achieve success for the organization. He recommended that Harris Health implement the following actions to improve its employee recruitment and retention program: 1) assess internal policies and practices to determine their relevance and effectiveness based on the system's needs, 2) create and promote a system for employee development, including training opportunities and leadership development, 3) establish an employee value proposition to attract and retain the best talent in the local healthcare market, 4) coordinate innovative social media campaigns to promote the Harris Health brand, and 5) consistently monitor and review internal compensation strategies and organizational structures.

Ms. Truesdell expressed concern that the main reason for employee turnover is dissatisfaction with the managers and she recommended that Harris Health's leadership work hard to address this issue so that employees feel valued and respected by their managers. Mr. Reid reported that Harris Health's executive leadership team appointed an organizational development governance committee to determine how to improve management, increase investment in employees, and address the lack of trust between employees and management. He stated that Harris Health is also making efforts to improve participation in the employee engagement survey so that more employee feedback can be obtained. Dr. Kimberly Monday stated that since approximately 80% of Harris Health's Hispanic patients are Spanish-speaking only and 17% of Harris Health's nurses are bilingual, it is imperative that the organization increase the number of bilingual nurses. She stated that an employee's ability to speak a language other than English is a skill and an increase in bilingual staff would result in improved workplace efficiency and higher levels of patient satisfaction. Dr. Monday also recommended that



Harris Health provide an incentive for the medical students and residents who are trained at Harris Health to remain with the organization once their training has completed. A copy of the presentation is available in the permanent record.

**B. Compliance Education – CMS Conditions of Participation Part V: Ancillary Services (Part A) [Board Education]**

Mr. Reeves delivered the presentation regarding the Centers for Medicare and Medicaid Services (CMS) conditions of participation regarding ancillary services. He reported that a hospital is required to maintain a unified medical record service that is responsible for all inpatient and outpatient records. He stated that the medical record service must be appropriate to the scope and complexity of the services performed. Mr. Reeves explained that the medical records must be accurate, complete, properly filed and accessible; that they must contain information to justify admission and continued hospitalization; and that all medical record entries must be legible, dated, timed and authenticated. He reported that medical records must include the following documentation: 1) a patient's complete medical history and a physical exam, 2) a patient's admitting diagnosis, 3) the results of all consultative evaluations, 4) any health complications, 5) any adverse reactions to drugs and anesthesia, 6) informed consent forms, and 7) a patient's discharge summary. Mr. Reeves stated that a hospital is also required to provide pharmaceutical services, radiologic services, and laboratory services for its patients. He confirmed that Harris Health's internal quality audits and Det Norske Veritas's accreditation evaluations ensure that Harris Health maintains compliance with these regulations. A copy of the presentation is available in the permanent record.

**C. Review and Discussion Regarding Eligibility for the Harris Health System Financial Assistance Program [For Informational Purposes Only]**

Mr. Michael Hill, Senior Vice President of Revenue Cycle, led the discussion regarding Harris Health's Financial Assistance Program. He explained that Harris Health's Financial Assistance Program is for patients who are residents of Harris County with incomes at or below 150% of the Federal Poverty Level (FPL). Mr. Hill reported that of the 185,000 Harris County residents currently enrolled in the program, 137,000 have incomes that range between 0% to 100% of the FPL and 48,000 have incomes that range between 101% to 150% of the FPL. He stated that patients who are eligible for third-party coverage such as Medicare and Medicaid are required to apply for those coverages prior to becoming eligible under the Financial Assistance Program. Mr. Hill explained that the Financial Assistance Program application process requires a patient to complete an application and provide proof of identity, residency, income, and dependents. He stated that Harris Health must adjudicate program applications within fourteen (14) days of receipt and that Harris Health currently has an inventory of two (2) days of unprocessed applications. Mr. Hill reported that patients are requested to provide a co-payment at the time that they receive services but that patients are not required to pay if they are unable to do so. A copy of the report is available in the permanent record.

#### **D. Review and Discussion Regarding Fiscal Year 2018 Budget Projections and Strategic Issues Driving Various Scenarios**

Mr. Norby led the discussion regarding Fiscal Year 2018 (FY2018) budget projections and strategic issues. He stated that after the first seven (7) months of Fiscal Year 2017 (FY2017), Harris Health's operating performance was approximately \$4.6M greater than budget as of September 30, 2016. Mr. Norby predicted that Harris Health will achieve a breakeven budget for FY2017. He reported that the budget assumptions for FY2018 state that projected volumes for most key operations will remain the same for FY2018 as they are in FY2017. Mr. Norby stated that operating expenses are expected to increase by 2.5% due to inflation costs. He estimated that Harris Health will receive a 4% increase in property tax revenue but that this increase will be offset by expected reductions in Medicaid supplemental payment programs such as Disproportionate Share Hospital, Uncompensated Care, Delivery System Reform Incentive Payment, and the Network Access Improvement Program. Mr. Norby summarized that these factors will result in a projected budgetary shortfall of \$38M, assuming that there are no changes in patient volume in FY2018. He announced that two largest variables for Harris Health to consider in FY2018 are: 1) the opportunity to subsidize insurance coverage for many of Harris Health's indigent patients through the Health Insurance Marketplace; and 2) the potential reassignment of the AMS contract from Harris County Clinical Services to Harris Health, which would increase Harris Health's expenses by approximately \$70M. Mr. Norby outlined the following mitigation strategies for Harris Health to consider in the event that Harris Health receives the AMS contract in FY2018: 1) encourage patients to enroll in Marketplace insurance coverage; 2) request assistance from the Harris County Commissioners Court to adjust the property tax rate to offset the \$70M expense; 3) manage capacity to reduce patient volumes, which would result in decreased costs; 4) continue performance improvement measures to increase operational efficiencies and reduce costs; and 5) draw down cash reserves to compensate for the shortfall. A copy of the report is available in the permanent record.

#### **E. Harris Health System Legislative Initiatives**

##### **Motion 16.10-94**

Moved by Dr. Kimberly Monday, seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve agenda item IX.E.; acceptance of the Harris Health System Legislative Platform.

1. Update, Discussion and Possible Action Regarding Policy Issues Affecting Harris Health System Activities in Austin Relating to Legislative/Regulatory Issues Impacting Harris Health System, the 85<sup>th</sup> Legislative Session, and the Harris Health System Legislative Platform.

Mr. R. King Hiller, Vice President, Public Policy and Government Relations, led the discussion regarding activities in Austin relating to legislative/regulatory issues impacting Harris Health System. He reported that the Centers for Medicare and Medicaid Services (CMS) continues to promote a reduction in Uncompensated Care funding. Mr. Hillier stated that the Texas Health and Human Services Commission (HHSC) is pushing back against CMS's preference

for Texas to utilize a Cost Report Schedule S-10 tool as opposed to the traditional Texas Uncompensated Care tool to calculate the need for Uncompensated Care funding. Mr. Franklin inquired regarding the status of the legislative bill which would mandate automatic enrollment with an opt-out provision for Harris Health employees in 401(k) and other deferred compensation plans. Mr. Hillier responded that Harris Health is collaborating with Parkland Memorial Hospital to overcome opposition to the 401(k) proposal by some members of the Texas State Senate. He reported that Harris Health is negotiating three (3) alternatives to the Texas Driver Responsibility Program for trauma funding and that he will attend meetings in November 2016 to discuss these alternatives with members of the House and Senate leadership, the Governor, and the Lieutenant Governor. Mr. Hillier announced that the contract term for Ms. Mary Schneider ended and that Mr. Christopher Traylor and Mr. Tony Esalih were appointed as the new Harris Health liaisons for intergovernmental affairs. Mr. Hillier stated that Mr. Traylor formerly served as the HHSC Commissioner and that he will serve at the state level. He stated that Mr. Esalih was the former chief of staff for United States Representative John Culberson and that he will serve at the federal level.

Mr. Hillier delivered an overview of the Harris Health legislative platform positions for the upcoming legislative session. He stated that these issues include the following: 1) the search for Texas Medicaid expansion alternatives, 2) the retaining of local authority and decision-making regarding tax rates, 3) support for initiatives that address behavioral and mental health, 4) support of graduate medical education, 5) support for initiatives that address the shortages in nursing and other healthcare professions, 6) support for emergency and trauma care, 7) support for initiatives that address immunization rates and public health improvements, 8) support for increased funding regarding HIV testing and treatment programs, and 9) support of automatic participation with an opt-out provision for Harris Health employees in 401(k) plans. A copy of the platform is available in the permanent record.

2. Update, Discussion and Possible Action Regarding Pending Federal Legislative and Policy Issues Affecting Harris Health System.

Mr. Hillier led the discussion regarding pending federal legislative and policy issues affecting Harris Health System. He stated that the federal legislature is awaiting the outcome of the presidential election to be held November 8, 2016. Mr. Hillier mentioned that Congress will add challenges against President Obama's relaxation of sanctions against Cuba and the proposal of new regulations to reduce sodium intake in U.S. diets to the list of issues that Congress plans to address during the lame duck session which will convene during the week of November 14, 2016. He stated that the White House Office of Management and Budget completed its review of the 340B Mega rule and he estimated that a final Mega rule may be issued before the Thanksgiving holiday.

## **X. Key Performance Reports**

**A. Committee Reports**

**1. Joint Conference Committee**

**Motion 16.10-95**

Moved by Ms. Carolyn Truesdell, seconded by Mr. Lawrence Finder, and unanimously passed that the Board approve agenda item X.A.1.a.

- a. Acceptance of the Medical Executive Board Reports for September 2016 and October 2016.

Dr. Maya Suresh, Chair, Medical Executive Board, presented the September 2016 and October 2016 Medical Executive Board Reports. She reported that the Medical Executive Board discussed the shooter incident that occurred at Ben Taub Hospital (BTH) in October 2016 and that opportunities for improvement were discovered regarding the utilization of proper safety measures. Dr. Suresh stated that corrective action plans and safety drills will be developed. She announced that ACS received two (2) grants for HPV vaccinations so that the vaccines are free for Harris Health patients. Dr. Suresh invited the Board members to attend the medical staff retreat scheduled for December 6, 2016 at the Houston Marriott at the Texas Medical Center. Finally, she stated that Mr. Masi delivered an Administrative report which focused on ensuring that Harris Health provides a safe environment for its patients and employees, the redesign of the Sentinel Events Committee into the Patient Safety Committee, and the refinement and system-wide rollout of the Time Out initiative. A copy of the report is available in the permanent record.

**Motion 16.10-96**

Moved by Dr. Kimberly Monday, seconded by Mr. Lawrence Finder, and unanimously passed that the Board approve agenda item X.A.1.b.

- b. Approval Regarding the Credentialing Changes for Members of the Harris Health System Medical Staff (September 2016 and October 2016).

Dr. Suresh presented the September 2016 and October 2016 credentialing changes for the members of the Harris Health System medical staff. She reported that there were 71 initial applications, 236 reappointments, 58 resignations and 35 change/add privileges for the combined months of September and October 2016. Ms. Truesdell requested verification regarding the medical school education of Dr. Madiha Khan in the September credentialing report and the birthplace of Dr. Ralphe Chebl in the October credentialing report. Copies of the reports are available in the permanent record.

**2. Performance Improvement and Patient Safety Committee**

- a. Review and Discussion Regarding Harris Health System Quality Executive Summaries and Scorecards for September 2016 and October 2016.

Ms. Claire Lauzon-Vallone, Associate Administrator for Quality Programs and

Accreditation, presented the Harris Health System Quality Executive Summaries and Scorecards for September 2016 and October 2016. She commended the nursing department for utilizing the system-wide Language of Care initiative and the Plan of Care Rounds initiative at BTH to address fallouts regarding communication with nurses. Ms. Lauzon-Vallone stated that there were two (2) fallouts regarding patient readmissions and that readmissions are being monitored. She reported that patient satisfaction survey response rates increased by 30% due to the implementation of the Connect Patient Satisfaction Measures in July and August 2016. Copies of the scorecards and summaries are available in the permanent record.

### 3. Budget and Finance Committee

#### Motion 16.10-97

Moved by Mr. Lawrence Finder, seconded by Ms. Carol Graebner, and unanimously passed that the Board approve agenda items X.A.3.a. through X.A.3.d.

- a. Acceptance of the Harris Health System August 2016 Financial Report Subject to Audit.

Mr. Michael Norby, Executive Vice President and Chief Financial Officer, presented the Harris Health System August 2016 Financial Report. A copy of the report is available in the permanent record.

- b. Acceptance of the Harris Health System September 2016 Financial Report Subject to Audit.

Mr. Michael Norby, Executive Vice President and Chief Financial Officer, presented the Harris Health System September 2016 Financial Report. He reported that Harris Health is slightly below budget regarding patient volumes, which resulted in a shortfall in revenues. Mr. Norby stated that expenses were 0.4% less than budget due to the decreased patient volumes and the increased effectiveness of performance improvement initiatives. He reported that Harris Health is on target to achieve a breakeven budget seven (7) months into FY2017. Ms. Truesdell inquired regarding the reason that Medicare cash receipts were below budget in September 2016 and on a year-to-date basis in comparison with 2015. Mr. Norby stated that he will investigate the cause and report back to her. A copy of the report is available in the permanent record.

- c. Acceptance of the Harris Health System Second Quarter FY2017 Investment Report.

Mr. Norby presented the Harris Health System Second Quarter FY2017 Investment Report. He reported that as of August 31, 2016, the investment balance was \$563.9M. A copy of the report is available in the permanent record.

- d. Acceptance of the Harris Health System Third Quarter CY2016 Pension Plan Report.

Mr. Norby presented the Harris Health System Third Quarter CY2016 Pension Plan Report. He reported that the Plan was 73.5% funded as of September 30, 2016. A copy of the report is available in the permanent record.

- e. Presentation of the September 2016 Financial Statements of Community Health Choice, Inc.

Mr. Kenneth Janda, President and Chief Executive Officer, Community Health Choice, Inc. (CHC, Inc.), presented the September 2016 financial statements for CHC, Inc. He reported that CHC, Inc.'s total membership months were 6% greater than budget in September 2016. Mr. Janda explained that the increase in members caused CHC, Inc.'s revenue to be 7% greater than budget and medical expenses to be 8% greater than budget for the month. He stated that CHC, Inc. has accrued \$45M year-to-date in funds that CHC, Inc. expects to pay back to the government according to the risk adjustment program under the Affordable Care Act. Mr. Janda forecast that CHC, Inc. will achieve a breakeven budget for the year. A copy of the report is available in the permanent record.

## **XI. Executive Session**

At 12:04 p.m., Mr. Franklin stated that the Board would enter into Executive Session under §161.032 of the Texas Health & Safety Code, the Texas Occupations Code Ann. §160.007, Texas Gov't Code Ann. §551.071, and Texas Gov't Code §551.085.

## **XII. Reconvene**

At 1:35 p.m., Mr. Franklin reconvened the meeting and stated that no action was taken in Executive Session.

- A. Report by Senior Vice President of Corporate Compliance Regarding Compliance with Medicare, Medicaid, HIPAA and other Federal and State Health Care Program Requirements and a Status of Fraud and Abuse Investigations, pursuant to Section 161.032 of the Texas Health & Safety Code, and Possible Action Upon Return to Open Session.

No action was taken.

- B. Report by the Chief Medical Officer Regarding Quality of Medical and Health Care, pursuant to Texas Health & Safety Code Ann. §161.032 and Texas Occupations Code Ann. §160.007 to Receive Peer Review and/or Medical Committee Report in connection with the Evaluation of the Quality of Medical and Health Care Services, and Possible Action Upon Return to Open Session.

No action was taken.

- C. Consultation with the County Attorney Regarding Cause No. 4:15-cv-00747; *Olusola Ajeleti-Olufadeju v. Harris County Hospital District d/b/a Harris Health System*; in the United States District Court for the Southern District of Texas, Pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding This Matter Upon Return to Open Session.

No action was taken.

- D. Consultation with the County Attorney Regarding Cause No. 2015-06758; *Alphonsus Okpara v. Harris County Hospital District d/b/a Harris Health System*; in the 190th Judicial District Court of Harris County, Texas, Pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding This Matter Upon Return to Open Session.

**Motion 16.10-98**

Moved by Ms. Carolyn Truesdell, seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve agenda item XI.D.

The Harris County Hospital District d/b/a Harris Health System ("Harris Health"), by and through its Board of Managers, approves and hereby authorizes payment in connection with Cause No. 2015-06758; *Alphonsus Okpara v. Harris County Hospital District d/b/a Harris Health System*; in the 190th Judicial District Court of Harris County, Texas, in an amount not to exceed \$150,000.00, payable to Alphonsus Okpara and/or the Law Office of Rosenberg & Sprovach. George V. Masi, President/CEO of Harris Health, is authorized to execute any agreement, release or any other necessary documents to effect this settlement.

- E. Consultation with the County Attorney Regarding the Claim of Bertha Aguilar on Behalf of Jackeline Velasquez Aguilar, Pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding This Matter Upon Return to Open Session.

**Motion 16.10-99**

Moved by Ms. Carolyn Truesdell, seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve agenda item XI.E.

The Harris County Hospital District d/b/a Harris Health System ("Harris Health"), by and through its Board of Managers, approves and hereby authorizes settlement of the claim of Bertha Aguilar individually and on behalf of Jackeline Velasquez Aguilar in the amount of \$95,000, and all reasonable and necessary guardian ad litem fees in an amount not to exceed \$10,000. George V. Masi, President/CEO of Harris Health, is authorized to execute any agreement, release or any other necessary documents to effect this settlement.

- F. Consultation with the County Attorney Regarding EEOC Charge Filed by Valerie Daniels, Pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding This Matter Upon Return to Open Session.

**Motion 16.10-100**

Moved by Ms. Carolyn Truesdell, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda item XI.F.

The Harris County Hospital District d/b/a Harris Health System ("Harris Health"), by and through its Board of Managers, approves and hereby authorizes a settlement of an EEOC charge in the amount of \$20,000, payable to Valerie Daniels. George V. Masi, President/CEO of Harris Health, is authorized to execute any agreement, release or any other necessary documents to effect this settlement.

- H. Discussion Regarding Strategies to Improve and Maximize Financial Performance and Budget Projections Under Provider Agreements, Network Relationships, and Other Strategic Means or Additional Lines of Business for Community Health Choice, Inc., Pursuant to Texas Gov't Code §551.085, and Possible Action Upon Return to Open Session.

No action was taken.

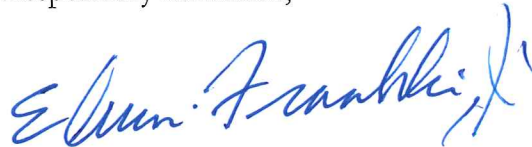
### XIII. Adjournment

Moved by Dr. Kimberly Monday, seconded by Ms. Carol Graebner, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 1:38 p.m.

I certify that the foregoing are the Minutes of the meeting of the Board of Managers of the Harris County Hospital District d/b/a Harris Health System held at the Administration Building in Houston, Texas on October 27, 2016.

Respectfully submitted,



Mr. Elvin Franklin, Jr., Chair  
Board of Managers



Ms. Anne Clutterbuck, Secretary  
Board of Managers